

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

COMMONWEALTH EDISON COMPANY)
)
Petition for declaration of service currently)
provided under Rate 6L to 3 MW and greater)
customers as a competitive service pursuant)
to Section 16-113 of the Public Utilities Act)
and approval of related tariff amendments.)

Docket No. 02-0479

OFFICIAL FILE
I.C.C. DOCKET NO. 02-0497
IIEC CX. EXHIBIT NO. 10
Witness
Date 9-16-02 Reporter BAP

**MIDAMERICAN ENERGY COMPANY'S RESPONSES
TO THE FIRST SET OF DATA REQUESTS OF
ILLINOIS INDUSTRIAL ENERGY CONSUMERS**

No. 1(a) Does Mid-American Energy as an RES offer an all in contract price to retail customers in Illinois that includes the CTC?

RESPONSE: MidAmerican Energy Company (MidAmerican) does not offer an all-in contract price to larger retail customers in Illinois that includes the CTC. MidAmerican does currently have all-in priced contracts on approximately 10% of our smaller customers, which do include the CTC. Those agreements are being eliminated at the contract renewal dates.

No. 1(b) If not, why not?

RESPONSE: MidAmerican does not offer an all-in contract price to larger retail customers in Illinois due to the market risk present under those agreements.

No. 2(a) Is Mid-American able to "hedge" the CTC?

RESPONSE: No.

No. 2(b) If not, why not?

RESPONSE: In order to hedge against price change risk, the price to 'protect' and the related volumes must be known. Because of the methodology for calculating CTCs, neither of these components is known during the period when data is being collected to calculate CTCs. Therefore, hedging CTCs for the entire term of a customer's contract would require speculation as to the 'price to hedge' and/or the 'volumes to hedge.' MidAmerican will not assume the risks associated with this financial speculation.